

Form AU-72 Cash Bond



Purpose: A nonresident contractor working in Connecticut uses **Form AU-72** to post a cash bond with the Department of Revenue Services (DRS) for a specific project in the state. The cash bond ensures that all taxes due to Connecticut from the contractor will be paid to DRS.

Read the instructions on the reverse side before completing this form. If you need help, please call **860-541-3280**, and choose Option 7, Monday through Friday, 8:00 a.m. to 5:00 p.m.

1. Name of Nonresident Contractor	2. Name of General Contractor or Owner
Address of Nonresident Contractor	Address of General Contractor or Owner
City, State, and ZIP Code	City, State, and ZIP Code
3. Nonresident Contractor's Connecticut Tax Registration No.	4. General Contractor's Connecticut Tax Registration No.
5. Name of Project	6. Start Date for Nonresident Contractor
Physical Location of Project (City or Town)	7. Expected Completion Date for Nonresident Contractor
8. Total Contract Price	9. Amount of Bond
10. Name of Direct Payment Permit Holder, if applicable	

Conditions of the obligation for the project detailed above:

- The nonresident contractor has entered into a contract related to real property at a Connecticut location.
- Tangible personal property will be consumed or used in carrying out this project.
- The nonresident contractor is posting a bond with DRS for 5% (2% if contract is with Direct Payment Permit holder on a renovation project) of the total contract price to ensure that all taxes that become due and owing during the period of the contract will be paid. (See Lines 8 and 9 instructions.)
- A bond is posted within 45 days of beginning the contract if the contract is to be completed in less than 90 days. A bond is posted within 90 days for contracts lasting 90 days or more.
- If the nonresident contractor pays all taxes, interest, and penalties within three years, one month, and one day after completion of the contract, the bond expires; otherwise the obligation remains in full force.
- This bond jointly and severally binds the nonresident contractor, its heirs, executors, administrators, successors, and assigns for payment of this obligation.

Declaration: I, the nonresident contractor named above or its authorized agent, declare under the penalty of law that I have examined **Form AU-72** and, to the best of my knowledge and belief it is true, complete, and correct. I understand that the penalty for willfully delivering a false document or return to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

Print Name

Title

Authorized Signature

Date

Declaration: I, an authorized agent of the general contractor or property owner named above, declare under the penalty of law that I have examined **Form AU-72** and, to the best of my knowledge and belief it is true, complete, and correct. I understand that the penalty for willfully delivering a false document or return to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

Print Name

Title

Authorized Signature

Date

General Instructions

Form AU-72, Cash Bond, must be executed by a nonresident contractor working in Connecticut.

Conn. Agencies Regs. §12-430(7)-1 defines a nonresident contractor as “a contractor without a permanent place of business in this state. Such a place of business means an office continuously maintained, occupied, and used by such contractor’s regular employees regularly in attendance to carry on such contractor’s business in the contractor’s own name. An office maintained, occupied, and used by a contractor only for the duration of a contract is not considered a permanent place of business. An office maintained, occupied, and used by a person affiliated with a contractor is not considered a permanent place of business of the contractor.”

Any bond that bears an erasure or alteration, regardless of its nature, must have the change authenticated by a notation in the margin.

Line Instructions

Line 1. Enter the name and complete address of the nonresident contractor furnishing the bond. Include the nonresident contractor’s Connecticut tax registration number.

The name and address of the nonresident contractor appearing on the bond must agree with the name and address on **Form REG-1, Business Taxes Registration Application**, filed with DRS. (If the information originally provided on **Form REG-1** is now incorrect, you must file an amended **Form REG-1** with DRS.) If the nonresident contractor is a corporation, the corporate name appearing on the bond must be the same shown by the records in the Office of the Secretary of the State, or similar agency of another state if the nonresident contractor is not a Connecticut corporation.

Line 2. Enter the name and complete address of the person with whom the contract was entered into by the nonresident contractor. If the nonresident contractor is the general contractor, enter the name and address of the owner of the property. If the nonresident contractor is a subcontractor, enter the name and address of the general contractor.

Line 3. Enter the Connecticut tax registration number of the nonresident contractor.

Line 4. Enter the Connecticut tax registration number of the general contractor.

Line 5. Enter the name of the project and the city or town where the project is physically located.

Line 6. Enter the date the contract was executed with this nonresident contractor or the expected start date of the nonresident contractor’s portion of the project.

Line 7. Enter the date by which the nonresident contractor is expected to complete work on this project.

Line 8. Enter, in words and figures, the total amount to be paid to the nonresident contractor under the contract. Indicate if this amount is an estimate.

Line 9. Multiply Line 8 by 5% (.05) and enter the result on this line.

Under Conn. Gen. Stat. §12-430(7), as amended by Pub. Acts 00-174, §17 and Pub. Acts 01-6, §45 (June Spec. Sess.), a nonresident contractor entering into a renovation contract with a Direct Payment Permit holder, where the use of a Direct Payment Permit is allowed, must post cash or a bond at the start of the contract for 2% (.02) of the total amount to be paid under the contract. In all other cases, including new construction contracts with Direct Payment Permit holders, nonresident contractors must post cash or bond of 5% (.05) of the contract amount.

Line 10. Enter the name of the Direct Payment Permit holder if this bond is being posted for a contract with a Direct Payment Permit holder at the rate of 2% (.02). **Note:** You must attach a copy of **CERT-133, Contractor’s Exempt Purchase Certificate for a Renovation Contract with a Direct Payment Permit Holder**, and **Form AU-621, Direct Payment Permit**, to this bond.

An authorized representative for the nonresident contractor must sign and date the appropriate declaration on **Form AU-72**. The name of the nonresident contractor must be exactly as it appears on the bond. An authorized representative of the general contractor or owner must also sign and date the appropriate declaration. Return **Form AU-72** to:

Department of Revenue Services
State of Connecticut
Discovery Unit
25 Sigourney Street
Hartford CT 06106